

person not known to the bank had been calling up newspaper offices and Wall Street news agencies and the State Banking Department to spread the story that there was a run on the bank.

Five or three hundred depositors, mostly housewives and chauffeurs of Scandinavian descent were at the doors of the bank when they opened the morning. They were marshaled in by the police and bank watchmen and were paid off as rapidly as they reached the windows. In the crowd were many who wanted to make deposits and withdrew those who were frightened.

Many drew only their interest and went away satisfied. Among these was a woman with a pedler's basket of fruit on her arm, who sobbingly declared she would commit suicide if she did not get all her savings at once, but was steadied by other women in the crowd.

ONE OF THE STRONGEST BANKS IN CITY.

The State Banking Department declared today that the Bank for Savings was one of the strongest in the city and was in the healthiest condition. It has 100,000 depositors, deposits amounting to \$7,500,000 and a surplus of \$1,500,000, of which one million was added to surplus during the year just passed.

The auditing committee of the bank, Thomas Dunn, Thomas D. Dunn and George F. Baker Jr., made a highly satisfactory report on the state of the books only a few days after the closing.

The bank for savings is one of the few during the last few years which has on several occasions had to refuse to accept deposits from depositors who were frightened.

Depositors who want among the depositors in the lobby of the bank to find that most of them had been made nervous by the general confusion of the failure of the State bank which had been slow to reach them.

MURPHY MUST GO, M'COOY, TOO, IS EDICT OF O'DWYER

National Democratic Club Heads Declares Open War on Bosses of Party.

The Open John Edward F. Murphy, President of the National Democratic Club, today declared open war against Charles F. Murphy, Mayor of New York, and John J. McCooy, Tammany leader of Essex County, by announcing that he would lead a delegation of the State to be called to vote against Tammany candidates at the next primary and election. The first move will be the elimination of Murphy and his men from the Democratic State Committee, Judge O'Dwyer says.

A committee has been appointed from among the National Democratic Club members to frame amendments to the Primary Law, making it impossible for anti-Tammany Democrats to enter the race for committee and other offices. This committee will meet to-night.

"We will prepare our resolutions against Murphy, McCooy and their ilk at to-night's meeting," said Judge O'Dwyer this afternoon. "These resolutions will be submitted at the regular meeting Monday night. We expect a very large attendance of the party from the Democratic State Committee."

"It will be a most important step in the rehabilitation of the Democratic party in the city, county and State."

THE CRITICISM OF THE present leadership of the Democratic organization appears to be justified by proofs of the past authorized committee, which, under the leadership of Judge O'Dwyer, has been in the city since the committee of which I am a member, had of which Alexander Hamilton, will work to reorganize the organization.

"It is not possible we will have it to its destruction and form an organization which will attract the best and honest Democrats. The resolutions to be framed to-night will have all enrolled Democratic voters to enter the September primaries and thereon to a leadership which means reorganization."

"It means by the elimination of Charles F. Murphy of New York County, of John J. McCooy from Essex County and the elimination of all men from the Democratic State Committee."

WALLS FALL ON FIREMEN AT \$500,000 BLAZE

Number Injured as Flames Are Fought in Business District of Manhattan, N. Y.

MANHATTAN, N. Y., Jan. 29.—The fire in the building at No. 100 Broadway today destroyed the Morgan Guaranty Building and the building of the State Banking Department, and caused the loss of \$500,000.

CIPHER CONCEALED BALANCES FROM HENRY SIEGEL

Cashier Says Vogel Told Him to Keep Figures From Head Partner.

GIMBEL A WITNESS.

Favors State Control of Private Banks—Morgan Partner Doesn't Want It.

How the money of depositors in the bank of Henry Siegel & Co. was lent to the various Siegel stores, how the loans were made solely at the direction of F. H. Vogel, Henry Siegel's partner, how Vogel received each day a cipher statement of the cash on hand in the bank and how from this he planned his loans, how he issued imperative orders that these cipher statements must not be shown to Mr. Siegel or fall into "wrong hands," and finally how the cipher statements were finally made out by a few days before the failure, was told in detail today by Frank L. Champion, cashier, before Senator Pollock's Committee to Investigate Private Banking. Henry Siegel's statement that never more than twice a year did he know the exact standing of the bank seemed to be verified by Mr. Champion's testimony.

The cashier, tall, slender and of middle age, gave his testimony slowly and with the impression of trying to be exact. He volunteered nothing and Senator Pollock and Daniel P. Hays, counsel to the committee, drew from him every statement he made.

Explains Quicker System of CIPHER BALANCES.

Revelations concerning Mr. Vogel's banking came when Champion admitted that the cash taken in daily from depositors was seldom banked the same day with the various national banks which the Siegel bank used as depositories. Checks were sent but the cash, he admitted, was kept in the safe.

"Why didn't you send the cash to the bank?" demanded Mr. Hays. "Well, we mailed the checks and we didn't think it safe to send cash that way. Then each day, also, we made up a statement for Mr. Vogel of the cash on hand and he authorized us to send it to the Fourteenth Street Store and the Simpson-Crawford store."

Generally this money was transferred by checks on the National Park Bank signed by Mr. Vogel, who afterward would notify the cashier to what account to charge these payments. They were made always on the authority of Mr. Vogel, though the order was transmitted sometimes through his secretary when Mr. Vogel was absent.

Champion explained that six or seven years ago Mr. Vogel had ordered him to make up daily a statement showing not only the amount of deposits and disbursements, but also a schedule of the money already loaned to the Siegel stores, even when this was loaned in exchange for a check from the store as was often the case. This statement was in what might be called a cipher.

ORDERED TO CONCEAL STATEMENT FROM SIEGEL.

"The names of the stores were not used. We used numbers instead," testified Champion.

"So that the effect was to make it a cipher, something that none other than Mr. Vogel could read?" asked Mr. Pollock.

"Well, that might have been the effect. He didn't say that he wanted cipher used for this purpose, but he did order us not to send the statements to Mr. Siegel."

The testimony astonished the hearers and Mr. Pollock and Mr. Hays demanded almost in unison: "You mean to say he ordered you not to show this statement to Mr. Siegel?"

"Yes, sir. Very positively."

Q. But why? Wasn't Mr. Siegel a partner? A. I don't know.

Q. But you are certain he told you? A. Positive. He didn't want those schedules to fall into Mr. Siegel's hands or into any wrong hands.

ADVANCES TO STORES ON VERBAL ORDERS.

From these schedules, the cashier said, Mr. Vogel was accustomed to decide the amount of advances to be made to the various stores and a simple verbal order sufficed to have the proper check drawn, signed by Mr. Vogel and sent. Sometimes cash would be sent and sometimes a check from the store taken back in exchange. At other times a note would be given to cover the cash.

"But when you got a check back there was no entry on your books to show that you had exchanged cash for it?" asked Mr. Hays.

"No, sir, we simply deposited the check."

Champion recalled among other notes made out by John A. Butler, manager of the Simpson-Crawford store, for \$500,000 on deposit in 1913.

ford store, for \$500,000, but he didn't recall any collateral being deposited for it. He didn't recall that the interest had been paid either, though the note ran for more than a year.

Q. Were any of these loans made to the Siegel stores secured by collateral? A. Oh, yes, sir. I learned later that they were.

Q. But you did not know it at the time? A. No, sir.

Q. How did you learn it? A. Well, Mr. Vogel handed me an envelope a short time before the failure (the witness would not fix the date closer than a week or perhaps ten days) and told me to put it in the safe. I put it with the Butler note and the other notes in connection with loans to the stores and a few days later I opened it.

FIRST COLLATERAL DEPOSITED AS SECURITY.

Q. What was in the envelope? A. Well I only glanced at it, but my impression was that it was stock of the Siegel Stores Corporation, and was left there to secure the depositors of the bank on these loans to the stores.

Q. Prior to the day this envelope was handed to you there had been no paper in the safe except the notes, had there? A. No, sir.

Q. Nor anything relating to these loans? A. No, sir.

Q. Nor any collateral? A. No, sir. There had been no collateral left with me.

The cashier testified that for six months before the failure, depositors had seemed to have an inkling that something was wrong and had made inquiries of him, but he didn't know the bank was not solvent and didn't suspect it.

Champion's testimony followed that of several private bankers, including Jacob Gimbel of Gimbels Brothers and William H. Farver of J. F. Morgan & Co. Mr. Hays examined Mr. Gimbels.

GIMBEL DOESN'T LEND MONEY TO HIMSELF.

"Do you allow interest," he inquired. "Yes, sir, on deposits which remain between semi-annual dates in January and July."

"Do you furnish bank books?" "Yes, sir."

"And check books?" "Yes, sir."

"And you allow withdrawal by check?" "Yes, sir."

"Then you do a regular banking business like a State or national bank?" "Yes, sir."

"How do you invest the deposits?" "In reliable securities and in cash, so that in a short time, say two or three hours, we could pay off our depositors dollar for dollar."

"Do you lend any of these deposits to your business?" "Never."

"You do not lend money to yourself?" "We do not."

"You know the purpose of this inquiry—to find a way to protect the depositors of private bankers?" "Yes, sir."

"Do you believe a private banker should not be under the control of the State Banking Department?" "I do not."

"Then you would not object to being placed under such jurisdiction?" "I would not. I believe in it."

PARTNER SPEAKS FOR J. P. MORGAN & CO.

When Mr. Gimbels was excused, William H. Farver, a partner in J. P. Morgan & Co., was called. Mr. Hays asked:

"Who are the other partners?" "J. P. Morgan, Edward T. Stotesbury, Charles Stein, Henry P. Davidson, Arthur H. Newburg, Thomas W. Lamont, Temple P. Bowdoin, William G. Hamilton and Horatio G. Lloyd."

"Do you do a general banking business?" "Well, yes, sir, a general business."

"He said the principal business of his firm now was buying and selling bonds. Tell us what class your depositors are," suggested Mr. Hays.

"They are generally big corporations and firms abroad who come to us voluntarily and offer us their business."

"How about private depositors?" "Oh, they are men of wealth who occasionally invest and who like to have funds on hand with us."

"What is the average you have their on deposit?" "Oh, I could not say offhand."

"How about individual accounts?" "Well, we have some of \$5,000 or \$10,000, but most are much larger, of course."

"Do you pay interest?" "Yes, sir."

"At what rate?" "Well, we pay 3 per cent. on current accounts and 1 per cent. on what we call time accounts."

MORGAN & CO. WOULDN'T LIKE STATE CONTROL.

"Do you know of any reason why a private banker of the class of J. P. Morgan should not be put under the jurisdiction of the Banking Department?"

"I do. I do not think we do business with the kind of depositors which the committee is trying to protect by law."

Mr. Porter made it very clear that while he thought State control was a necessity for banks of the department store type, firms like J. P. Morgan & Co., Kuhn, Loeb & Co., and others should not be disturbed.

Mr. Porter could not tell how much business his firm did with depositors, but it was suggested from another source that the records showed Morgan & Co. had \$125,000,000 on deposit in 1913.

NEW YORKER WHO TELLS BY WIRELESS OF WRECK OF YACHT.



F. W. VANDERBILT

SET THEATRE AFIRE, SENT BOMB TO KILL GIRL HE WANTED

(Continued from First Page.)

easy money and we fell for it. We three undertook the job.

JANITOR OF MOVIES CHASED THEM AWAY.

"We went up to where the girl lived and began to move about. Fecarro lived on the fourth floor of No. 170 East Houston street, and before going to the house we went into the yard of the moving picture theatre. While there 'Joe and Wop' saw us and, no doubt thinking that we intended to rob some one, got a crowd together and chased us out.

"When we reported this to Fay he got wild. 'I'll settle that butler-in-law,' he yelled, and right then and there it was agreed to burn down the theatre. The following night we met Fay and carrying cans of kerosene, smeared the seats and floor with the stuff. Fay put a match to a newspaper, lit it and we all then vanished. We stood outside and watched the house burn."

"But it didn't burn down," interrupted "Burke," for somebody saw the flames and turned in an alarm. "Fay got mad," resumed Lehman, "when he saw the fire extinguished and declared that if he couldn't make 'Joe the Wop' lose his job he'd kill him. Several nights later Fay gave us a bomb and told us to take it to old man Fecarro's and blow the place into smithereens. He said he didn't give a damn if it killed the whole family, because if he couldn't get the girl no one else would have her."

It is for the placing of this bomb that Sylvestro is on trial before Judge Rosalesky. His trial will in all probability be finished to-day.

Sylvestro took the stand in his own defense and swore that he knew no bomb throwers and was not acquainted with those who said they had worked with him; he was a hard-working man and earned \$17 a week as driver for a dairy at No. 339 East Twelfth street. He had never set off a bomb in his life, he said.

NEWARK BOARD WANTS ITSELF INVESTIGATED.

Invites Grand Jury Inquiry as Result of Mayor's Paving Charges.

The Board of Works of the city of Newark, N. J., passed resolutions this afternoon demanding an investigation of their body by the Grand Jury of Essex County.

Mayor Haussling of Newark, is said to have instigated in a recent message to the Board that there was \$10,000 worth of graft involved in the repaving of Broad street, Newark's main thoroughfare. The paving, which was of wood block was found to be inferior. The Board in its resolution urges that each member of the body be examined and investigated by the Grand Jury as soon as practicable and declare the Mayor's message an insult.

NEITMAYER AND WOMAN FINED FOR SMUGGLING

Gave Co-Respondent Jewels in Europe and Failed to Declare Them for Duty.

Robert T. Neitmayer, a wealthy leather manufacturer of Hoboken, N. J., and Mrs. Edna Maer Alexander, who was named as co-respondent in Mrs. Neitmayer's divorce suit, were fined \$1,000 each this afternoon by Federal Judge Martin for smuggling. Neitmayer paid the fine and the woman was released.

It was charged that on a trip to Europe, Neitmayer bought Mrs. Alexander \$500 worth of jewels and that they attempted to smuggle them into this country on Nov. 22, 1912.

BANDITS BURN CITY; MISSIONARIES IN PERIL

SHANGHAI, China, Jan. 29.—A force of 1,000 bandits to-day sacked and burned virtually the entire city of Lian-chow in the Province of Wan-sui. The bandits, who are of the China Inland Mission, with his wife and children, succeeded in escaping to Lu-chow-fu, but the Catholic missionaries are still in the locked city. It is believed they have not been injured.

The brigands apparently are connected with the hands commanded by "White Wolf," who have been a considerable time been ravaging the eastern part of the Province of Shan-si.

BILL WOULD OUST DELANEY.

Assembly Measure Aims to Abolish Efficiency Department.

ALBANY, Jan. 29.—Abolition of the State Department of Efficiency and Economy is sought in a bill introduced to-day by Assemblyman Thorne, a Republican. The bill would have effect immediately upon its passage.

This move was not the one generally planned by the majority of the Republicans in the Assembly. They were desirous of wiping out the department, which is headed by John H. Delaney, a Democrat, and has many Democratic officeholders in it, but they wanted to accomplish this by withdrawing an appropriation. It is supposed that about \$100,000 annually would be saved by abolishing the department. Majority leader McKean introduced a bill last year similar to Thorne's bill of to-day.

VANDERBILT TELLS BY WIRELESS OWN STORY OF WRECK

Says His Yacht Grounded at 5 A. M. on Jan. 26, and He and Party in Peril 22 Hours.

WERE SAVED AT NIGHT.

Warrior Is To-Day Reported Pounding on Beach and Crew Still Aboard, in Peril.

COLON, Jan. 29.—Frederick W. Vanderbilt to-day sent by wireless telegraph from the steamship Almirante to the Associated Press a full account of the perilous rescue of the party on board his yacht Warrior after she went ashore on Jan. 26 off the coast of Colombia. Among those with him on board were his wife, the Duke and Duchess of Manchester, and Lord George Keith-Falconer. Mr. Vanderbilt telegraphed:

"The Warrior grounded on a sand bank at 5 o'clock on the morning of Jan. 26, being carried ashore by a strong current. The United Fruit Company's steamer Frutera, from Santa Marta, arrived on the scene of the accident at 8 o'clock in the evening. The sea was then too rough for small boats to be launched, but the Frutera stood by us all night."

"At 8 o'clock on the morning of the 27th, the steamer Almirante arrived and both vessels sent lifeboats to the yacht at daylight."

"A heavy and very rough sea was breaking about the Warrior, and a boat from the Frutera capsized, but all hands were saved."

"A boat from the Almirante returned to the yacht again at 10 o'clock in the morning, the wind and sea having moderated. It took off all the passengers from the Warrior."

"The officers and crew of the yacht were advised to leave, but all of them elected to remain on board until a wrecking tug arrived from Kingston. The yacht was riding easily on the sand bank in about twelve feet of water, and there is a good chance of saving her."

"All praise is due to the officers and crews of the rescuing steamers."

The Warrior is in a bad position and about to go to pieces in the heavy breaking rollers ever on the sand bank where she went ashore, according to a wireless message received here to-day.

The crew are still on board, but are afraid they will have to risk jumping overboard into the high seas as the only chance of saving them lives.

It is believed here that the United Fruit Company's steamer Frutera is standing by but is helpless in the storm.

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STATE OFFICIALS QUESTIONED ABOUT CANAL CONTRACTS

Stewart Bids Taken Up, but Stewart Himself Is Temporarily Excused.

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